

FACT SHEET:

Irresponsible Bush Budget Hurts Pacific Islanders and Asian Families

Even as middle class Americans are struggling to achieve financial security, the Bush budget ignores the very real challenges they are facing. It fails to create jobs, and instead creates record deficits. It shortchanges education, health care, veterans' benefits, and small business. Instead of helping working families, it provides additional tax breaks for those who need them least and billions of dollars in new giveaways to HMOs and other wealthy corporate interests.

No action on job creation, with over 334,000 Asian Americans looking for work. The Bush budget squanders an additional \$1 trillion over the next 10 years on additional tax cuts for the wealthy, but President Bush's budget does nothing to create good-paying jobs here at home. The Bush budget cuts funding for the Small Business Administration, which helps minority owned small businesses grow, by \$79 million. There are over 900,000 small businesses owned by Asian Americans.

Breaks the promise of a better education. The President's budget fails to provide \$9.4 billion in promised funding for education – meaning that 2.4 million children will not get the help with reading and math they were promised.

Increases child care waiting lists by hundreds of thousands. The Child Care and Development Block Grant provides child care assistance for low income families and early education services to our country's most disadvantaged children. In many states, waiting lists for this assistance are tens of thousands of families long. The Bush budget freezes funding for this program for the third consecutive year and cuts child care assistance by an additional 300,000 children by FY 2009. When state TANF expenditures are accounted for, another 150,000 children will be cut.

Undermines after-school programs. The Bush budget provides only half of the funding promised to these programs, meaning that 1.3 million children who were promised after school services will not get them.

Guts Head Start. The President's budget eliminates the comprehensive educational, health, and nutrition services that children in this program currently receive. In addition, the program receives a funding increase of less than 3 percent, even though Head Start currently only serves 60 percent of eligible preschoolers.

Closes the door on a college education. Despite nationwide increases in the cost of college, the Bush Administration has frozen funding for Pell Grants and cut funding for Perkins loans by nearly \$100 million.

Leaves veterans behind. There are over 284,000 Asian veterans. The President's budget raises health care costs for over 500,000 veterans, imposing new co-payments and enrollment fees that will

cost veterans over \$2 billion over five years. In fact, over five years, the budget for veterans health care programs is \$13.5 billion below the amount needed to maintain services at current levels.

Fails to make healthcare affordable for middle class families. There are over 2.2 million Asian Americans without health insurance and millions more who can barely afford to pay their premiums, yet the Bush budget does nothing to hold down costs. It includes \$70 billion for a \$1,000 tax credit for individual coverage that covers only 5 percent of the 44 million uninsured, and Health Savings Accounts that help only the healthy and wealthy.

More for special interests, not seniors. Although the Bush budget now includes \$46 billion in special payments to HMOs – \$30 billion more than originally estimated – it does nothing to help seniors lower their prescription drug costs. Despite this, Republicans are refusing to hold down drug costs, refusing to let the government negotiate discounts for seniors, and refusing to allow Americans to import less expensive drugs from Canada.

Democrats have different priorities. We want to help all Americans achieve financial security, invest in programs that create good paying jobs, improve education, lower health care costs, make college more affordable, help small businesses grow, support our veterans and military retirees, and do more to protect our ports and borders from terrorism.

